

***Housing Rehabilitation Fund Application***

***Overview & Instructions***

***2003***

***Small Cities Community Development***

***Block Grant Program***

***State of New Jersey***  
***James E. McGreevey, Governor***

***Department of Community Affairs***  
***Susan Bass Levin, Commissioner***

***Small Cities Community Development***

***Block Grant Program***

***Housing Rehabilitation Fund***

***Overview & Instructions***

***2003***

**Administered by  
New Jersey Department of Community Affairs  
Division of Housing and Community Resources**

**For Information Concerning The Small Cities CDBG Program  
Please Contact:**

**Department of Community Affairs  
Division of Housing and Community Resources  
101 South Broad Street  
PO Box 806 (5th Floor)  
Trenton, New Jersey 08625-0806**

**Attention: Small Cities Administrator  
(609) 633-6278**

**Or**

**Go to:**

**[www.state.nj.us/dca/dhcr/smallcities.htm](http://www.state.nj.us/dca/dhcr/smallcities.htm)**

## **Housing Rehabilitation Fund**

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## **Housing Rehabilitation Fund**

### **Description of the Small Cities Housing Rehabilitation Fund**

The Housing Rehabilitation Fund is established to improve and increase the supply of safe, decent and affordable housing in New Jersey. This fund will provide assistance to improve the condition of housing occupied by people of low or moderate income. The Fund is divided into three categories: County, Multi-jurisdiction, and Single Jurisdiction.

#### **Maximum Grants**

<u>Program Scope</u>	<u>Maximum Grant</u>
County	\$500,000
Multi-jurisdiction	\$350,000
Single Jurisdiction	\$200,000

#### **Matching Requirements**

Applicants to the Housing Rehabilitation fund are required to match a portion of the amount requested. The size of the match is determined by the Municipal Distress Index (MDI) of each participating unit of government (see pages 11-13). Matching Requirements not met in the form of a cash contribution must be consistent with established Departmental standards (see pages 8- 9, Budget, for details).

<u>MDI Rank</u>	<u>Match Required</u>
0 – 100	10%
101 – 200	20%
201 – 300	30%
301 – 400	40%
Over 400	50%

#### **Eligible Applicants**

Only units of local government (municipalities and counties) are eligible to apply. Eligible municipalities and counties are listed on pages 11 through 13.

#### **Application Deadline**

Applications received by September 5, 2003 will be given first consideration; applications submitted after that date will be considered as long as funds remain.

## **Public Hearings**

At least one public hearing must be held prior to the submission of a Small Cities Program application. The requirements are explained in Instruction 14 on page 10 and a sample public hearing notice is included in the Application Forms package.

## **Community Development & Housing Needs Statement**

To be considered for assistance from the Housing Rehabilitation Fund, applicants must provide a *Community Development and Housing Needs Statement* consisting of three components – community development needs, housing needs, and status of applicable land use plans (see Instruction 3, pages 4 and 5).

## **Compliance with National Objectives**

All housing rehabilitation programs must be targeted to people of low and moderate income, as defined by the US Department of Housing and Community Development (see Instruction 4 on page 5).

## **Selection Criteria**

### **Municipal Distress**

This factor has already been calculated for each municipality and county.

### **Program Impact**

- a. The number of low-and moderate-income persons benefiting and the percentage of the applicant's population that is of low and moderate income; and
- b. The extent to which the applicant clearly identifies and documents the problem to be addressed and proposes an appropriate solution.

### **Readiness to Proceed**

An applicant's readiness to implement a proposed project may be demonstrated by providing with the application documents that are only required after a Small Cities grant is awarded. These documents include: a citizen participation resolution, a Statement of Actions to Affirmatively Further Fair Housing, an adopted policies and procedures manual, an environmental review record, certification of matching funds, a grant management plan, and a list of housing units to be improved along with biddable work write-ups for each unit. Only one copy of each document is required and should accompany the original copy of the application.

## **Submission Requirements**

Supply the Department of Community Affairs with an **original and two copies** of your complete application. **Mail or deliver your original and two copies to:**

**Attention: Small Cities Unit, 5th Floor**

**New Jersey Department Of Community Affairs  
Division Of Housing And Community Resources  
101 South Broad Street  
Po Box 806  
Trenton, NJ 08625-0806**

Submit your original application in a loose-leaf binder. The words, **Housing Rehabilitation Fund**, must be written on the front cover. The two copies may be bound in a loose-leaf or other type of binder. Type your application on 8½ by 11 inch paper. Place dividers between the sections of your application and label them to correspond with the Table of Contents.

A Table of Contents (HR Form 1) and necessary forms have been included with this document. Use the Table of Contents form, and present all forms and program description **in the exact order given in HR Form 1**. Where necessary, insert your own pages and title them with the same headings as in Form 1. Use all the forms that have been provided. Use the Table of Contents as a checklist to be sure that you have submitted or accounted for all the information requested.

On the following pages, there are 14 Instructions, one for each item in the Table of Contents. Please respond to each item, writing “N.A.” if an item is not applicable to your proposal. Forms are included in the Application for some, but not all, items. Each instruction indicates whether or not a form should be used.

## Instructions

### 1. **Table of Contents** *(Use Form HR-1)*

Place this sheet immediately following the Title Page of your Application. Type in the page numbers after your Application is complete. Keep your Application in the order shown.

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### 2. **Project Summary** *(Use Form HR-2)*

Fill in the information requested on the Project Summary. Identify the number of housing units you expect to improve and their location (e.g., target areas, municipal-wide). The applicant's chief elected official must sign the certifying statement. In the case of multi-jurisdictional applications, the chief elected official of the lead municipality must sign the application.

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### 3. **Community Development and Housing Needs Statement** *(No Form)*

Applicants must provide a **Community Development and Housing Needs** Statement consisting of three components – community development needs, housing needs and applicable land use plans.

The Statement must meet the requirements set forth below and include all municipalities participating in the proposed program.

#### Community Development Needs

In preparing this component of the Statement, the applicant must address at least the following categories:

- a. Non-residential development (e.g., commercial, major employers, business recruitment strategies).
- b. Parks, recreation facilities and open space areas.
- c. Infrastructure (e.g., water supply, wastewater, transportation network).
- d. Public buildings (e.g., senior/community centers, schools, libraries).

If no need for improvement exists in any category, the applicant must provide supporting evidence. Where there are particular needs—even if unaddressed through this application—the applicant must describe each identified need, the source of the information provided and the effect on people of low or moderate income, and must identify actions taken or proposed to address the need.

### Housing Needs

In preparing this component of the Statement, the applicant must address at least the following categories for its jurisdiction and any other municipalities included in the proposal: rental housing, manufactured housing, existing owner-occupied housing stock, and impediments to new affordable housing development. If there is no need for action to improve conditions in any one category, the reason for that conclusion must be indicated. Where needs are identified, each must be described, information sources and the affect on people of low or moderate income indicated, and actions taken or proposed to address the need presented. The applicant must also indicate the date of the most recent housing element or comparable study and the applicant's current COAH status.

### Status of Planning

In this component of the Statement, the applicant must address the status of planning by the applicant and by each participating unit of government (in cases where more than one municipality is included within the scope of the proposed program). Information presented must include the following:

1. The date of the most recent master plan adoption or re-evaluation.
2. The relationship of local/county plans to higher level plans (e.g., Pinelands Plan, State Development and Redevelopment Plan, county cross-accepted plans, endorsed plans, center designation).
3. The relationship of the proposed project to the plans identified.

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#### **4. Benefits to Low and Moderate Income People** *(No Form)*

Indicate the number of households and the total number of people who will directly benefit from the proposed program. Residential rehabilitation assistance must be limited to households whose total income from all sources does not exceed federally determined income limits.

Low and moderate income households are those having incomes that do not exceed standards set for "lower income" families by the federal government. These change from year to year and vary by family size and location. The most recent standards are presented on page 14.

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#### **5. Program Description** *(No Form)*

In this section provide a comprehensive description of your Small Cities Housing Rehabilitation Program. Explain the needs of your project area and how this program will meet these needs. Describe ongoing program support components, in place or to be established, to sustain the improvements this program will create.



Address each of the following headings in the order presented. Include project area maps and photographs where appropriate.

#### Documentation of Goals & Needs

- Explain how the proposed program addresses the needs identified in the Community Development & Housing Needs Statement. Relate the proposed program to approved policy documents; e.g., local and regional plans, housing elements, affordable housing obligations.
- Explain why the program is designed the way it is. Include a description of the program target area(s) (e.g., housing stock, existing infrastructure, pertinent demographic information).
- Describe other efforts that have been made or are underway to address these needs.
- Describe how the activities in this proposal complement other community development efforts underway or contemplated.

#### Program Strategy

- Specify the average and maximum amount of funds that will be available per unit. Describe how you determined these amounts. Windshield surveys and sample work write-ups are strongly recommended. Summarize survey, write-ups and other information used to determine these amounts. (Include only one copy of work write-ups with this application.)
- Indicate the terms and conditions of the loans offered.
- Identify eligible housing rehabilitation improvements.
- Describe how you determined the degree of interest in your proposed program and why you believe the target population will participate.
- Indicate efforts to realize management efficiencies and to reduce “soft” costs.

#### Program Support Components

- Provide information on the maintenance and building codes enforced in the program target area(s).
- Describe systematic code enforcement programs underway or to be established.
- Describe administrative, management and policy-making structures and arrangements in place or that will be established if funding is provided.
- Identify any existing housing rehabilitation revolving loan funds in areas served by the proposed program and describe how they are managed.

Note: To qualify as a multi-jurisdictional or a County applicant, you must provide evidence that all jurisdictions are committed to participating in the grant management and program policy as described.

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**6. Other Funds** *(Use Form HR-6 and appropriate documentation)*

List sources of all other funds that will be specifically committed to this target area.

Document the commitment of the funds listed on Form HR-6 with a letter or statement from each source stating the purpose, amount, terms, conditions and duration of the commitment.

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**7. Recapture of Funds** *(Use Form HR-7)*

It is the policy of the State to permit grantees to retain program income generated from CDBG activities to the extent such income is applied to continue the activity for which it was originally funded. Summarize your anticipated recapture of Small Cities funds on Form HR-7. At least 50% of the grant award must be recaptured.

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**8. Project Location Maps** *(No Form)*

Submit one or more maps that clearly show:

- a. The location of the project area(s);
  - b. The names of streets in the project area(s);
  - c. The exact location of specific structures to be assisted, if known;
  - d. The boundaries of census tracts and blocks contained, in whole or in part, in your project area(s); and
  - e. Locations of units for which you have conducted thorough inspections.
- 

**9. Program Income** *(No Form)*

List all program income recaptured from prior Small Cities Program grants (e.g., housing rehabilitation, economic development), describe any activities carried out with recaptured funds, and indicate the amount of recaptured funds currently available.

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## 10. Grant Management Plan *(No Form)*

Describe how you plan to manage your Small Cities grant using the headings:

### Project Management:

Identify one person, **either an employee or elected official**, as Project Director. This person will be responsible for overseeing all grant activities and will certify that monthly fiscal and program progress reports are accurate.

Identify one person as Project Coordinator. This person will be responsible for the day-to-day administration of the program. The Project Coordinator may be an employee or consultant hired by the Grantee for this purpose, but may not be the Project Director.

### Fiscal Management:

Identify the name, title, credentials, and experience of the person who will be responsible for the fiscal administration of the grant.

### Staff

Indicate the persons who will staff the program (existing staff, consultant) and what their titles and duties will be.

Identify any professional services you plan to contract for, such as housing inspectors and attorneys. Indicate why they are needed and how their services will be used.

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## 11. Budget *(Use Form HR-11)*

Using the following guidelines, prepare a budget for your Small Cities project that includes **ONLY** Small Cities funds. If your project is funded, this information may be used to prepare a grant agreement.

### Budget Guidelines

#### Part I: Program Administration

**Personnel:** List employees who will participate in administering the program by title. Include salaries, wages and fringe benefits, as applicable.

**Consultant and Contract Services:** List consultants who will be retained to provide administrative, legal and other services. Do not include maintenance, janitorial services, equipment or non-professional services.

## Part II: Program Activities

Case Management and Inspection Services: Indicate the amount of funding to be made available for case management and inspection services.

Housing Rehabilitation: Indicate the amount of funding to be made available for housing rehabilitation assistance.

**NOTE:** If an award is made, it may be necessary to explain why consultant and contract service fees exceed standards established by the Department. The **maximum** amounts permitted are as follows:

- \$1,800 per unit of programmatic costs for Case Management and Housing Inspection Services.
  - \$9,900 of the grant award for a full administrative consultant services agreement (including preparation of the Environmental Review Record, preparation of the Rehabilitation Policy & Procedures Manual, monthly fiscal and program reporting, satisfy other federal assurances, final performance report, and on-going technical assistance including monitoring visits).
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### **12. Resolution of the Governing Body** *(Use Form HR-12)*

A Resolution of the Governing Body must be duly executed. The original application must have an original signature and the raised seal of the applicant. If your application is multi-jurisdictional, select one municipality to be the lead community and include a resolution only from this locality.

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### **13. Audit Report** *(No Form)*

A copy of the applicant's "Findings and Recommendation" section of the latest annual audit must be included with the application. If there are any findings concerning the Small Cities Program or other Division of Housing and Community Resources programs, include a statement, signed by the Chief Elected Official, outlining actions that are being taken to correct them.

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#### **14. Public Hearings** *(No Form)*

All applicants must hold at least one public hearing prior to the submission of any application, **even if the application has been submitted before.** The purpose of this hearing is to discuss community development and housing needs and to develop proposed activities for Small Cities funding. If an award is made, a second public hearing will be required to review program performance.

*The first public hearing must be held at least 20 days before the application is submitted to the Department.*

Each hearing must be held at a time and in a location convenient for actual or potential beneficiaries and with accommodations for the handicapped. If the area includes a significant number of non-English speaking residents, the advertisement and conduct of the hearing must facilitate their participation.

Hearing advertisements must appear at least 7 days prior to the hearing, as Display (non-legal) advertisements, within a paper of general circulation serving the applicant's jurisdiction. Federal regulations require that such advertisements must include at least the following information:

1. The amount of funds expected to be available for the current fiscal year;
2. The range of activities that may be undertaken with CDBG funds;
3. The estimated amount of the CDBG funds proposed to be used for activities that will meet the national objective of benefit to low and moderate income persons;
4. A description of any proposed activities likely to result in the displacement or relocation of people; and
5. The name and address of the local official to whom written statements may be submitted regarding the applicant's proposal.

The Public Hearing Announcement must also inform citizens that comments regarding the application may be submitted to the New Jersey Department of Community Affairs, Small Cities Unit, PO Box 806, Trenton, NJ 08625-0806, during the ten days following the hearing. A model hearing notice is included in the Application Forms package.

Copies of the published notice, proof of publication, and hearing minutes must be included as part of the application.

**Applications That Do Not Include Evidence Of Compliance  
With Public Hearing Requirements Will Be Rejected.**

**2003 Eligible Small Cities Municipalities**  
(With Municipal Distress Index (MDI) Ranking)

<u>Atlantic County</u>	<u>MDI Rank</u>	<u>Cumberland County</u>	<u>MDI Rank</u>
Egg Harbor City	73	Commercial Township	23
		Deerfield Township	28
<u>Burlington County</u>		Downe Township	55
Beverly City	36	Fairfield Township	83
Burlington City	101	Greenwich Township	21
Chesterfield Township	325	Hopewell Township	184
Hainesport Township	217	Lawrence Township	30
Palmyra Borough	109	Maurice River Township	49
Pemberton Borough	63	Shiloh Borough	44
Pemberton Township	76	Stow Creek Township	100
Riverside Township	96	Upper Deerfield Township	80
Wrightstown Borough	114	<u>Hunterdon County</u>	
<u>Camden County</u>		Alexandria Township	504
Gloucester City	15	Bethlehem Township	500
Pine Valley Borough	473	Bloomsbury Borough	380
Tavistock Borough	557	Califon Borough	484
		Clinton Town	498
<u>Cape May County</u>		Clinton Township	524
Avalon Borough	421	Delaware Township	479
Cape May City	202	East Amwell Township	521
Cape May Point Borough	343	Flemington Borough	219
Dennis Township	259	Franklin Township	357
Lower Township	223	Frenchtown Borough	306
Middle Township	144	Glen Gardner Borough	301
North Wildwood City	170	Hampton Borough	233
Ocean City	245	High Bridge Borough	325
Sea Isle City	370	Holland Township	375
Stone Harbor Borough	455	Kingwood Township	356
Upper Township	350	Lambertville City	418
West Cape May Borough	309	Lebanon Borough	511
West Wildwood Borough	310	Lebanon Township	403
Wildwood City	29	Milford Borough	436
Wildwood Crest	254	Raritan Township	524
Woodbine Borough	86	Readington Township	515
		Stockton Borough	458
		Tewksbury Township	510
		Union Township	541
		West Amwell Township	416

<u>Mercer County</u>	<u>MDI Rank</u>	<u>Salem County</u>	<u>MDI Rank (Con't)</u>
East Windsor Township	342	Penns Grove Borough	6
Ewing Township	347	Pennsville Township	215
Hightstown Borough	90	Pilesgrove Township	304
Hopewell Borough	431	Pittsgrove Township	169
Hopewell Township	531	Quinton Township	58
Lawrence Township	472	Salem City	34
Pennington Borough	438	Upper Pittsgrove Township	262
Princeton Borough	374	Woodstown Borough	69
Princeton Township	446		
Washington Township	556	<u>Somerset County</u>	
West Windsor Township	535	Watchung Borough	516
<u>Monmouth County</u>		<u>Sussex County</u>	
Little Silver Borough	520	Andover Borough	269
<u>Morris County</u>		Andover Township	302
Dover Town	27	Branchville Borough	334
<u>Passaic County</u>		Byram Township	437
Bloomington Borough	263	Frankford Township	326
Haledon Borough	156	Franklin Borough	158
Hawthorne Borough	314	Fredon Township	385
Little Falls Township	461	Green Township	423
North Haledon Borough	358	Hamburg Borough	267
Pompton Lakes Borough	332	Hampton Township	409
Prospect Park Borough	67	Hardyston Township	320
Ringwood Borough	333	Hopatcong Borough	298
Totowa Borough	407	Lafayette Township	316
Wanaque Borough	198	Montague Township	266
West Milford Township	228	Newton Town	110
West Paterson Borough	367	Ogdensburg Borough	250
<u>Salem County</u>		Sandyston Township	292
Alloway Township	347	Sparta Township	442
Carneys Point Township	72	Stanhope Borough	225
Elmer Borough	118	Stillwater Township	187
Elsinboro Township	167	Sussex Borough	57
Lower Alloways Creek Twp.	181	Vernon Township	369
Mannington Township	99	Walpack Township	195
Oldmans Township	162	Wantage Township	311

<u>Warren County</u>	<u>MDI Rank</u>
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Allamuchy Township	401
Alpha Borough	125
Belvidere Town	75
Blairstown Township	379
Franklin Township	244
Frelinghuysen Township	389
Greenwich Township	360
Hackettstown Town	153
Hardwick Township	353
Harmony Township	196
Hope Township	235
Independence Township	383
Knowlton Township	210
Liberty Township	303
Lopatcong Borough	287
Mansfield Township	242
Oxford Township	87
Phillipsburg Town	24
Pohatcong Township	201
Washington Borough	135
Washington Township	340
White Township	327

<u>Eligible Counties</u>	
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Cape May County	261
Cumberland County	56
Hunterdon County	427
Mercer County	373
Passaic County	267
Salem County	151
Sussex County	290
Warren County	248



**HUD Income Guidelines 2003**  
(Effective 2/20/03)

County	Income Level	Household Income (\$)							
		According to # of Household Residents							
		1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Atlantic	Low	19,990	22,750	25,600	28,450	30,750	33,000	35,300	37,550
	Mod*	31,850	36,400	40,950	45,500	49,150	52,800	56,450	60,100
Burlington	Low	23,850	27,300	30,700	34,100	36,850	39,550	42,300	45,000
	Mod*	38,200	43,650	49,100	54,550	58,900	63,300	67,650	72,000
Camden	Same as Burlington County								
Cape May	Same as Atlantic County								
Cumberland	Low	17,550	20,100	22,600	25,100	27,100	29,100	31,100	33,150
	Mod*	28,100	32,150	36,150	40,150	43,350	46,600	49,800	53,000
Gloucester	Same as Burlington County								
Hunterdon	Low	30,450	34,800	39,150	43,500	47,000	50,450	53,950	57,400
	Mod*	39,550	45,200	50,850	56,500	61,000	65,550	70,050	74,600
Mercer	Low	26,900	30,700	34,550	38,400	41,450	44,550	47,600	50,700
	Mod*	39,550	45,200	50,850	56,500	61,000	65,550	70,050	74,600
Monmouth	Low	25,950	29,650	33,350	37,050	40,000	43,000	45,950	48,900
	Mod*	39,550	42,500	50,850	56,500	61,000	65,550	70,050	74,600
Morris	Low	27,650	31,600	35,550	39,500	42,650	45,800	49,000	52,150
	Mod*	39,550	45,200	50,850	56,500	61,000	65,550	70,050	74,600
Passaic	Low	27,600	31,550	35,500	39,450	42,600	45,750	48,900	52,050
	Mod*	39,550	45,200	50,850	56,500	61,000	65,550	70,050	74,600
Salem	Same as Burlington County								
Somerset	Same as Hunterdon County								
Sussex	Same as Morris County								
Warren	Same as Morris County								

\* *Mod* is short for Moderate